MULTIMEDIA UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

# FINAL EXAMINATION

**TRIMESTER 1, 2017/2018**

## DAC5028 – COMPUTERIZED ACCOUNTING INFORMATION SYSTEM

( For Diploma Students Only )

23 OCTOBER 2017
09.00 a.m – 11.00 a.m
( 2 Hours )

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**INSTRUCTIONS TO STUDENT**

1. This question paper consists of **11** pages with 2 sections.
2. For Section A, shade your answers on the OMR sheet provided.
3. For Section B, write your answers in the answer booklet provided.

**SECTION A : MULTIPLE CHOICE QUESTIONS 1-30 (each question carries 1 mark with a total of 30 marks). Answers for this section should be shaded in the OMR sheet.**

1. Mdm. Heng is the chief financial controller of a hotel in Penang and her main tasks is to manage the hotel's finances and to ensure that the hotel is able to generate profit every year. Thus, she often attends top level management meetings to make _____ decisions.

   A. management planning
   B. important
   C. strategic planning
   D. financial planning

2. Which of the following sequence of primary activity in Tupperware is *correct*?

   I. The plastic resins are distributed to each factory line and color inks are added into the resins to create different color resins.
   II. Ms. Shine, the operations manager, ensures that all machines are functioning properly so that different Tupperwares can be produced from the colored resins.
   III. Mr. Amin, the warehouse executive of Tupperware, receives and stores the purchased plastic resins into the factory cylinder.
   IV. Completed Tupperwares are packed into boxes and are ready for shipping.

   A. III, II, I, IV.
   B. II, I, IV, III.
   C. III, I, II, IV.
   D. I, II, III, IV.

3. The Boeing Company is an American multinational corporation that designs, manufactured and sells airplanes, rotorcraft, rockets and satellites worldwide. Boeing has been identified as the largest global aircraft manufacturer in the year 2015 and has also been renowned for placing great importance on retaining good and qualified employees. From this statement, we can see that in order to succeed, Boeing has also placed high importance on its _____ activities.

   A. firm employees
   B. employee training
   C. human resource
   D. payroll

4. _____ occurs when the aim of the interior designer of a designing company is to create innovative designs for their customers while the company's vision is to bring high quality interior designs to the residential and commercial market.

   A. Goal conflict
   B. Goal congruence
   C. Vision conflict
   D. Vision congruence

**Continued...**

5. Jonathan is the owner of a stationery shop that offers a large variety of stationeries and books. Which of the information flow is ***inaccurate***?

   A. When Mr. Yusof supplies paper files to the shop, the purchase order flows into the accounting information system as a purchase.
   B. When Mdm. Heidi invest funds into the business, the funds flow from the accounting information system as capital.
   C. When Zeno's monthly salary is being computed, the verified working hours flows into the accounting information system for further calculation.
   D. When the business places deposits into the Maybank, the amount flows from the accounting information system to the bank.

6. Asiniah is the accounts controller of a big firm in Sabah that has various subsidiaries. Her task is to ensure all the subsidiaries' monthly accounts are prepared according to the financial standards. Once the subsidiaries' accounts are closed, she will then perform the consolidation for the group accounts using the _____.

   A. general journal
   B. general ledger
   C. special journal
   D. consolidation journal

7. Nizam is a junior auditor of an auditing firm in Perak. In the month of June 2017, he was sent to a nursery to audit their accounts. As a financial statement auditor, Nizam would need to verify on the existence of _____.

   A. audit trails, where there is sufficient evidence to allow the tracing of a transaction from the end back to the beginning
   B. audit trails, where there is sufficient documentation to allow the tracing of a business cycle from the beginning to the end
   C. accounts trails, where there is sufficient evidence to allow the tracing of a transaction from the beginning to the end
   D. All of the above.

8. Which of the following is ***not*** true?

   A. Hotels often adopts the real time data processing method as it is crucial for the management of the hotel to identify the availability of rooms and the daily amount of food to be prepared on an up-to-date basis.
   B. Sales orders are known as the source document in a business while operational documents are documents such as sales invoice and payment vouchers.
   C. Haseeq is the front desk officer of a hotel in Langkawi island and he often performs information processing duties such as updating customers' records and accepting payments.
   D. Fast food restaurants prefer to use periodic data processing method as the sales amount do not need to be updated frequently. It is often done when the cashier has completed his or her shift.

**Continued...**

9. Maureen is the new operations manager of Lay Hong Berhad, a firm engaging in the production of chicken products and chicken eggs under the brand name 'Nutriplus'. Which of the following information output will be ***irrelevant*** to Maureen?

   A. Monthly performance reports to identify huge monthly variances.
   B. Daily delivery schedule in order to ensure all sales are shipped out promptly.
   C. Customers' preference reports in order to develop a new product.
   D. Sales forecast in order to plan the daily production output.

10. Which of the followings are ***true*** regarding the enterprise resource planning (ERP) system?

   I. Many companies do not adopt the ERP system as it is complex and this leads to user resistance and temporary employee demotivation.
   II. The ERP system is not as powerful as the accounting information system as it is able to integrate and process financial and non-financial information.
   III. The ERP system helps to improve the company's customer service as all data are integrated into a company-wide database which allows better flow of information between departments.
   IV. Some of the nonfinancial modules in the ERP system are marketing, project management and human resource management.

   A. I, II & III only.
   B. II & IV only.
   C. I & III only.
   D. All of the above.

11. Ms. Nurul is the sales executive of Jeannie Floral Shop in Bali. As the shop is strategically situated in the center of Bali town, she often receives calls from international customers to prepare flower and chocolate bouquets that are to be delivered to the customer's hotel during their stay in Bali. Which of the following ***should not*** be done before she confirm the customer's order?

   A. Check the availability of the flower requested during that period and the quantity in hand that is available to fulfill the order.
   B. Design and make the bouquet as per the order and send it to the customer on the designated date.
   C. Obtain the customer's bouquet requirements and the delivery date and venue.
   D. Obtain the customer's credit card number and check for approval of payment.

12. Mr. Abdul Zairah is a shipping officer of a mineral water manufacturing company. Which of the following is ***not*** something that Mr. Abdul Zairah needs to pay attention to?

   A. To ensure that the correct number of boxes and the correct items are packed into the correct container.
   B. To ensure that all shipping documents such as the sales order, the packing slip and the payment voucher are sent out with the goods.
   C. To ensure that the customers' addresses and contact numbers are correct.
   D. To ensure that all sales order are properly packed and shipped within the stated time and date.

**Continued...**

13. In a paddy processing and rice distributing company, the accounts executive must first obtain the quantities of rice packets shipped out to the customer from the _____ and the price per packet from the _____ before he can issue a sales invoice. This is to ensure that the correct sales invoice is issued out to the customer.

    A. warehouse department; purchasing department
    B. shipping department; purchasing department
    C. warehouse department; sales department
    D. shipping department; sales department

14. Sherniel is the financial controller of a carton manufacturing company that is currently expanding the usage of its corrugated board and recycle materials to make furniture, shelves and racks. Due to the large number of customers and sales orders, the top management has decided to accept monthly payments from their customers instead of payment based on each sales invoice. This method is also known as the _____.

    A. customer based method
    B. monthly payment method
    C. open invoice method
    D. balance forward method

15. Which of the following control is ***not*** used to mitigate the threat of theft of cash in a car manufacturing company?

    A. Having proper segregation of duties by ensuring that the salesman, the cashier and the accounts executive are all different individuals.
    B. By using lockbox arrangements, where car deposits are remitted to the company's account instead of depositing into the salesman's individual account.
    C. By depositing all cash receipts into the bank daily and ensuring all documents are properly numbered and accounted for in the accounts.
    D. By sending various monthly statements to every customer to obtain independent review.

16. Damansara Mushroom Industry Sdn. Bhd. engages in the cultivation and trading of mushrooms. Which of the following is ***not*** a technology that the company can use to improve the efficiency and the effectiveness of the purchase order processing activity?

    A. By outsourcing the inventory control and soil purchasing duties of the company to their supplier in order to automatically replenish their soil and wood.
    B. Using RFID tags to identify the dates of cultivation, the harvesting dates and the number of cultivation bags in each lab.
    C. Using reverse auctions where customers compete with one another to meet the lowest cost price.
    D. By adopting electronic data interchange system to transmit purchase order to their suppliers.

**Continued...**

17. Which of the followings are ***true*** regarding kickbacks found in jam and jelly manufacturing company?

    I. Kickback happens when the purchasing agent, receives a New Year hamper from their strawberry supplier to encourage higher purchase of strawberry from them in the coming purchases.
    II. Kickbacks results in the company purchasing unneeded plastic bottles at a high price from their bottle supplier in exchange with an air ticket to Europe.
    III. The top management can control kickbacks by rotating each purchaser's job every two years.
    IV. It can be mitigated by auditing the salesman's activities from time to time.

    A. II & III only.
    B. I & IV only.
    C. I, II & III only.
    D. All of the above.

18. Which of the following is ***not*** an instance where a debit memo will be issued by an apparel chain store?

    A. When the belt supplier has delivered 1,000 pieces of woman belt instead of the 500 pieces of woman belt and 500 pieces of man belt ordered.
    B. When the bracelets and necklaces shipped in by the supplier were broken.
    C. When the store receives a return of 10 units of gym bags due to the wrong color.
    D. When the kid's top and jeans were made of poor quality material where the color runs when it is wet and it is subsequently returned to the supplier.

19. Which of the following is ***true*** about threats that are found in the cash disbursement process?

    A. One of the ways to ensure that the firm is able to obtain purchase discounts is to file and track all approved invoices according to its due date.
    B. Having a complete voucher package with the original invoice is an important step to ensuring that no duplicated payments are done.
    C. Restricting access to cash and ensuring there are segregation of duties among the staff can help to prevent theft of cash.
    D. All of the above.

20. Devanie is the accounts payable executive of Malaysia Milk Sdn. Bhd., a manufacturing company engaging in the production and sales of a wide range of dairy and beverages under the brand name Marigold and Vitagen. In order to make payment to their suppliers, Devanie must first obtain _____.

    A. the sales invoice, delivery report and packing slip
    B. the purchase requisition, back order and delivery order
    C. the purchase order, receiving report and supplier statement
    D. the purchase order, approved supplier invoice and receiving report

**Continued...**

21. Theft of materials and fixed assets can be very devastating to any businesses. Which of the followings are *true* in regards to a construction company?

    I. Loss of machinery parts and building materials can result in the construction of inferior quality houses due to the lack of materials.
    II. All construction machineries and materials should be properly tagged using bar code and RFID tags in order to identify its location and its movements.
    III. Having personal generators as a backup power is a good control to ensure the smooth running of the operations especially when disaster strikes.
    IV. Ensuring all warehouses are properly locked and secured can help to ensure none of the building materials goes missing.

    A. I, II & IV only.
    B. II, III & IV only.
    C. I & III only.
    D. All the above

22. Machines and equipment purchased by a company are important and valuable assets to the company as it can help to increase the productivity of the manufacturing process. However, due to the high price of the machineries and equipment purchased, the process goes through a series of modification when compared to normal purchases. These modifications includes _____.

    I. payments made by installments, including interest
    II. enforcing higher controls to safeguard the machineries and to facilitate internal failure maintenance
    III. conducting a formal bidding session to identify the best customer with the best price
    IV. more higher ranking officers are involved in reviewing the quotations

    A. I & IV only.
    B. I, II & III only.
    C. II & IV only.
    D. II & III only.

23. Mr. Nelson is the production executive of a drug and dietary supplement manufacturing firm in Malaysia. As the company receives order for its dietary supplements, Mr. Nelson will use the _____ to authorize the production of the pills and the _____ will be issued to authorize the movement of the raw materials from the warehouse into the factory floor.

    A. production order; materials requisition slip
    B. production slip; move ticket
    C. materials requisition slip; move ticket
    D. operation slip; production schedule

**Continued...**

24. Deluxe Rich Sdn. Bhd. is a beverage manufacturing firm that produces fruit juice beverages and flavoured coffee and milk drinks. In May 2017, an international customer approached Deluxe Rich to produce a unique range of drinks using exotic fruits such as durians, jackfruit, kiwano, tamarillo and feijoa. This is a one-time order with a total quantity of 1,000 cans of drinks in total. What type of cost accounting system should Deluxe Rich Sdn. Bhd. use in this case?

A. Job order costing system.
B. Process costing system.
C. Absorption costing system.
D. Activity-based costing system.

25. Helen is the new quality control officer of a company that manufactures instant bean deserts using green and red beans. Her task is to obtain samples from each batch of production and to test the samples at random. Once a defect desert is identified, the whole batch of goods will be held in the quality control department for further checking before it is dispatched out to the customer. Which category of quality control is Helen involved in?

A. External failure control.
B. Preventive control.
C. Appraisal control.
D. Internal failure control.

26. Angel is a human resource manager in Negeri Sembilan. Her tasks includes all of the followings ***except*** _____.

A. conducting interviews to recruit new employees into the office
B. calculating the salary, meal allowances and travelling allowances of their support staff
C. conduct the performance evaluation process at the end of every year and submitting the results to the head quarter office in Kuala Lumpur
D. meeting employees to provide new job assignment

27. Selina Kho wants to start a new business in Kota Laksamana, namely 'Selina Lovely Wear', selling large size shirts, dresses and accessories for ladies. In order to ensure that all her employees reach on time, she has decided to electronically capture the worker's arrival time. As she needs to travel to KL warehouse often to pick up her stock, she was also hoping that this system will enable her to monitor her employee's arrival time through her tab. Which technology below best suit Selina's requirements?

A. Job time ticket.
B. Badge and badge reader.
C. Punch card system.
D. Electronic time clock.

**Continued...**

28. Zairah started a new café named 'Tip Tree House' in Malim Jaya last year with nature as the café's theme. As the business grows, Zairah has purchased the neighbouring unit and has turned it into a safari themed café. As such, Zairah has hired a total of 15 staffs and she is currently looking for a human resource firm to help maintain its payroll master file and assist in performing their monthly payroll processing activities. Which type of payroll company suits Zairah's needs?

A. Payroll processing bureau.
B. Payroll service bureau.
C. Professional employer organisations.
D. Payroll employee organisations.

29. Which of the following is ***not*** a threat in the payroll process?

A. Unauthorized changes to the payroll master file.
B. Theft or fraudulent distribution of paychecks.
C. Inaccurate time and attendance data.
D. Failure to receive required payments.

30. Book Xcess Sdn. Bhd. is famous in Malaysia with selling books at a discounted price. As the company organises various Big Black Wolf book fairs around the nation, the company has hired many part time staffs to support those events. As such, each of the following controls can be taken by the company to avoid making payment to fictitious employees ***except*** _____.

A. by ensuring there is segregation of duties between those who authorize and record the payment and those who distribute the cheques to the part time employees
B. by restricting access to the blank payroll cheques by ensuring only the event treasurer and the event director are allowed to have access to those cheques
C. by ensuring that all cheques are sequentially pre-numbered and only the part time staff themselves will be allowed to pick up the cheque
D. hold the human resource officers responsible for ensuring that all the required payments to the part time staffs are made accordingly

**Continued...**

**SECTION B : STRUCTURED QUESTIONS (70 marks).**
**Please answer all questions in the answer booklet provided.**

## QUESTION 1

Masimo is a well-known bread brand in the local market, produced by the company 'The Italian Baker Sdn. Bhd.'. The company uses the finest ingredients to produce their bread and they are consistently working towards meeting a higher standard of excellence for the Massimo brand and heritage.

Required:

i) In such a big company, what are the **SEVEN** general characteristics of information that are essential to the company's success? (7 marks)

ii) List **ONE** internal stakeholder of the company and identify **ONE** type of information that is required by this internal stakeholder. (2 marks)

iii) List **ONE** external stakeholder of the company and identify **TWO** types of information that is required by external stakeholders. (3 marks)

iv) What are the **THREE** decision structure that can be found in this company? (3 marks)

## QUESTION 2

Ayamas Food Corporation Sdn. Bhd. is a firm engaging in the production and retaining of frozen chicken products such as sausages, nuggets, burger patties and etc. In the year 2017, Ms Koh is interested to open an Ayamas Roaster shop in Melaka and she has requested for your assistance in identifying a suitable accounting information system for the company.

Required:

i) What are **THREE** basic information that needs to be collected by the accounting information system? (3 marks)

ii) Draw a diagram to show the data processing cycle of an accounting information system. (5 marks)

iii) Name the **FOUR** types of data input methods that Ms. Koh can consider using in her business. (4 marks)

iv) As Ms. Koh develops her cash sales invoice, what type of coding technique will you advise her to adopt? Provide **TWO** reasons for choosing that coding technique. (3 marks)

**Continued...**

## QUESTION 3

Jaimaih is the owner of a a firm engaging in the manufacturing of ceramic and stainless steel bathroom fittings such as bath tubs, toilet bowls, bathroom sink and etc in Melaka. As the industry's competition grows tighter, Jaimaih and the board of directors has decided to adopt the electronic data interchange system. The management believes that this system will enable them to provide value added services to their customers and in turn, it will place them at a more competitive position.

Required:

i) Do you agree with the above statement and why? (3 marks)

ii) Provide any **THREE** advantages and **ONE** drawback of the electronic data interchange process. (4 marks)

ii) Name the **THREE** edit checks that should be performed in conjunction with the implementation of the electronic data interchange process. (3 marks)

## QUESTION 4

Robin and Jacklyn wants to start a bread manufacturing firm in Kuala Lumpur. As the baking industry's competition is tight, Robin and Jacklyn had attended various baking courses and had created a variety of their own creations such as the lavender flavoured bread with peanuts and anchovies, orange meringue bread with chicken slice and etc.

Required:

i) One of the decision that Robin and Jacklyn have to make is the inventory control method that they are going to use. Introduce the **THREE** inventory control methods to them and explain the goals of each of these methods. (6 marks)

ii) Besides deciding on the inventory control method, what is the next decision that Robin and Jacklyn needs to make in regards to getting their raw materials? What are the key considerations when it comes to making this decision? (4 marks)

**Continued...**

## QUESTION 5

a) Product design stage is the most crucial activity in the production cycle as it determines the usefulness of the product. Most companies also adopts various simulation software in order to further improve the efficiency and effectiveness of the product design process.

Required:

i) Determine the **TWO** objectives of the product design stage. (2 marks)

ii) Identify and discuss the **TWO** key documents in the product design stage. (4 marks)

b) List and explain the **TWO** common approaches to production planning. (4 marks)

## QUESTION 6

Metrobus Nationwide Sdn. Bhd. is a locally private owed public transport company in Klang Valley. The company has grown from a Selangor local bus service provider to an interstate transportation service provider. At the end of every month, the payroll officer of Metrobus needs to obtain information in order to run the payroll process. Discuss **FIVE** major sources of input that is needed.

(10 marks)

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